

## CREDIT OPINION

15 February 2019

Update

✓ Rate this Research

### RATINGS

#### Landesbank Hessen-Thuringen GZ

Domicile	Frankfurt am Main, Germany
Long Term CRR	Aa3
Type	LT Counterparty Risk Rating - Fgn Curr
Outlook	Not Assigned
Long Term Debt	Aa3
Type	Senior Unsecured - Dom Curr
Outlook	Stable
Long Term Deposit	Aa3
Type	LT Bank Deposits - Fgn Curr
Outlook	Stable

Please see the [ratings section](#) at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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# Landesbank Hessen-Thuringen GZ

## Update to credit analysis

### Summary

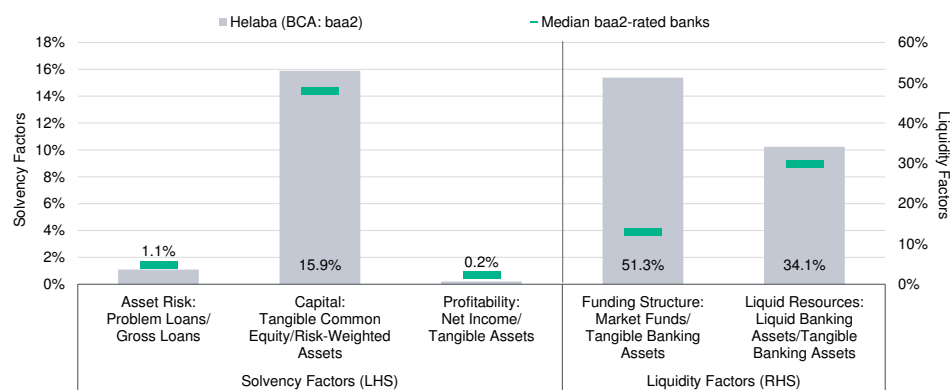
We assign Aa3(Stable)/P-1 deposit and issuer ratings and A2 junior senior unsecured ratings to [Landesbank Hessen-Thuringen GZ](#) (Helaba). Furthermore, we assign a baa2 Baseline Credit Assessment (BCA), a baa1 Adjusted BCA and Aa3/P-1 Counterparty Risk Ratings (CRRs).

Helaba's issuer ratings reflect (1) its baa2 BCA; (2) its baa1 Adjusted BCA, incorporating one notch of uplift based on affiliate support from [Sparkassen-Finanzgruppe](#) (S-Group, Aa2 stable, a2<sup>1</sup>); (3) the results of our Advanced Loss Given Failure (LGF) analysis, which provide three notches of rating uplift for senior unsecured debt; and (4) our assumptions of moderate support from the [Government of Germany](#) (Aaa stable<sup>2</sup>) resulting in one notch rating uplift.

The baa2 BCA reflects Helaba's (1) strong risk-weighted capitalisation and its weaker leverage ratio, (2) low volume of nonperforming loans, indicating strong asset quality, and (3) comfortable liquid resources. Furthermore, the BCA reflects the bank's asset risk concentrations related to substantial exposure to international commercial real estate (CRE) markets, its only modest profitability and a funding structure that relies on significant market funding access, partially balanced by stable sector funding and adequate liquidity.

Exhibit 1

### Rating Scorecard - Key financial ratios



Source: Moody's Financial Metrics

## Credit strengths

- » Sound risk management, with an established track record
- » Solid and rising capitalisation, which has improved the company's ability to withstand a certain degree of adverse environment
- » Good access to sector funds, which supports its liquidity

## Credit challenges

- » High sector concentrations in the cyclical CRE business, which remain a tail risk for asset quality
- » Low risk-weighted profitability, which provides a limited buffer in case of an adverse development
- » Dependence on confidence-sensitive market funding, which remains significant despite its access to sector funds

## Outlook

- » The outlook is stable, reflecting our view of the bank's (1) stable liability structure over the 12-18-month outlook horizon, which forms the basis for our Advanced LGF analysis; and (2) moderately changing financial profile and unchanged sector relationships, which lead to unchanged high affiliate support from S-Group.

## Factors that could lead to an upgrade

- » An upgrade of Helaba's ratings would be likely in the event of an upgrade of the bank's BCA. Because Helaba's senior unsecured and deposit ratings already benefit from the highest possible rating uplift of three notches, there is no upgrade potential from our LGF analysis.
- » Upward pressure on Helaba's baa2 BCA could arise from a sustainably improved Macro Profile, or from (1) a further reduction in Helaba's dependence on debt capital markets as a result of more funds being available from, and because of cooperation with, a larger number of savings banks; (2) stronger liquidity reserves; and (3) a combination of a pronounced and sustained improvement in the bank's capitalisation and a significant reduction in the bank's concentration risk, specifically with regard to CRE exposures.

## Factors that could lead to a downgrade

- » A downgrade of Helaba's ratings could be triggered by the following: (1) a two-notch downgrade of the bank's BCA, (2) a change in the bank's ownership structure and a deterioration in the implied creditworthiness of S-Group, (3) weakening cross-sector support assumptions, or (4) a reduction in uplift as a result of our LGF analysis.
- » Downward pressure on the bank's BCA could arise because of (1) a deterioration in the bank's financial strength, especially if followed by an unexpected and sustained weakening in its capital adequacy metrics; (2) a material deterioration in the bank's asset quality; or (3) a significant decline in the bank's liquidity reserves, combined with higher dependence on market funding.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the ratings tab on the issuer/entity page on [www.moody's.com](http://www.moody's.com) for the most updated credit rating action information and rating history.

## Key indicators

Exhibit 2

### LANDESBANK HESSEN-THUERINGEN GZ (Consolidated Financials) [1]

	6-18 <sup>2</sup>	12-17 <sup>2</sup>	12-16 <sup>2</sup>	12-15 <sup>2</sup>	12-14 <sup>2</sup>	CAGR/Avg. <sup>3</sup>
Total Assets (EUR billion)	162	152	157	163	170	-1.3 <sup>4</sup>
Total Assets (USD billion)	189	182	165	177	205	-2.3 <sup>4</sup>
Tangible Common Equity (EUR billion)	8.3	7.8	7.5	7.3	7.0	5.0 <sup>4</sup>
Tangible Common Equity (USD billion)	9.6	9.3	7.9	8.0	8.4	3.9 <sup>4</sup>
Problem Loans / Gross Loans (%)	0.7	0.7	1.3	1.8	2.2	1.3 <sup>5</sup>
Tangible Common Equity / Risk Weighted Assets (%)	15.9	15.6	14.2	13.4	12.9	14.4 <sup>6</sup>
Problem Loans / (Tangible Common Equity + Loan Loss Reserve) (%)	7.0	8.0	14.2	20.4	25.6	15.0 <sup>5</sup>
Net Interest Margin (%)	0.7	0.7	0.8	0.8	0.8	0.7 <sup>5</sup>
PPI / Average RWA (%)	0.6	1.1	1.5	1.7	1.4	1.3 <sup>6</sup>
Net Income / Tangible Assets (%)	0.2	0.2	0.2	0.3	0.2	0.2 <sup>5</sup>
Cost / Income Ratio (%)	82.0	74.2	64.8	60.1	65.4	69.3 <sup>5</sup>
Market Funds / Tangible Banking Assets (%)	51.7	51.3	54.2	55.3	58.5	54.2 <sup>5</sup>
Liquid Banking Assets / Tangible Banking Assets (%)	36.3	34.1	33.2	36.5	39.1	35.8 <sup>5</sup>
Gross Loans / Due to Customers (%)	167.9	182.2	198.8	195.3	201.0	189.0 <sup>5</sup>

[1] All figures and ratios are adjusted using Moody's standard adjustments. [2] Basel III - fully-loaded or transitional phase-in; IFRS. [3] May include rounding differences due to scale of reported amounts. [4] Compound Annual Growth Rate (%) based on time period presented for the latest accounting regime. [5] Simple average of periods presented for the latest accounting regime. [6] Simple average of Basel III periods presented.

Source: Moody's Financial Metrics

## Profile

Landesbank Hessen-Thüringen GZ (Helaba) is a German universal bank, with a regional focus on its core centres in the German federal states of Hesse, Thuringia, North Rhine-Westphalia and Brandenburg. The bank operates as a central bank for the savings banks in the aforementioned four federal states and, thus, covers 40% of all savings banks in Germany. As of the third quarter of 2018, the bank reported total consolidated assets of €172 billion and had around 6,100 employees.

Helaba provides a range of wholesale and retail banking services to corporate and private clients, institutional customers, and central, regional and local public authorities, as well as municipal corporations. The bank distributes its products and services from its twin head offices in Frankfurt am Main and Erfurt; its branch offices in Germany, France, Sweden, the UK and the US; and its representative offices in Brasil, Spain, Russia, China and Singapore. In Switzerland (Zurich), Helaba is represented through its subsidiary Frankfurter Bankgesellschaft (Schweiz) AG<sup>3</sup>.

## Weighted Macro Profile of Strong+

Helaba is predominantly active in Germany, which has an assigned Very Strong- [Macro Profile](#). The very high economic, institutional and governmental financial strengths, as well as the very low susceptibility to event risk, support the bank's BCA. However, operating conditions for the German banking system are constrained by high fragmentation in an oversaturated market, low fee income generation and intensifying competition for the domestic business. Helaba's Strong+ Macro Profile also captures exposures to international corporate and CRE lending activities in countries with weaker Macro Profiles than Germany. An improvement in the bank's Macro Profile may strengthen its financial profile, all other things being equal.

## Recent developments

In December 2018, Helaba announced two acquisitions: the takeover of Dexia Kommunalbank Deutschland (DKD) and the acquisition of a €1.4 billion transport portfolio from DVB Bank SE (Aa1 stable, b3)<sup>4</sup>. Both transactions are pending for regulatory approvals, which are expected to close in H1 2019.

Given the limited size of the transport portfolio, the impact on Helaba's solvency profile is limited, despite the higher-risk character of such exposures. The acquisition, however, should target to balance some of the profitability pressures as long as risk management remains sound.

The takeover of DKD, a specialist in public sector lending with total assets of €18.9 billion as of H1 2018, is more significant in size. We expect Helaba to continue to run down the assets, which mostly consist of low-risk loans to German regional and local governments (€11.1 billion as of H1 2018), refinanced by public sector Pfandbriefe. The acquisition of the bank for €352 million could support Helaba's equity position in the medium term.

## Detailed credit considerations

### Sound risk management partially mitigates the bank's high exposure to cyclical CRE risks

We assign Helaba a baa1 Asset Risk score, four notches below the aa3 initial score<sup>5</sup>, taking into account the bank's total loan exposure to the cyclical CRE sector.

This exposure amounted to €29.5 billion as of Q3 2018 (€33.8 billion as of year-end 2017), resulting in considerable concentration risk, especially compared with the group's reported Common Equity Tier 1 (CET1) capital of €8.0 billion as of H1 2018. Furthermore, we consider the bank's exposure to market risk as a driver for the adjustment.

The bank reported a slightly improved problem loan ratio of 0.67% as of H1 2018 (2017: 0.71%, 2016: 1.23%), and its risk-related charges declined further to very low levels, reflecting a benign point in the credit cycle. Despite this adjustment for the bank's sizeable concentration risks, Helaba's CRE portfolio has a sound history of low credit losses compared with those of its peers. These low credit losses are because of Helaba's focus on (1) prime locations; and (2) properties with a high level of prearranged rental agreements, combined with limited ticket sizes, which provide risk diversification. The group's corporate finance loan book is well diversified and includes (1) equal-sized lending activities with multinational corporates; (2) asset-based lending focused on aircraft; and (3) structured and project finance, as well as leasing.

### Capitalisation on an upward trend, providing a solid loss-absorption buffer

We position Helaba's Capital score at a2, two notches below the aa3 initial score, driven by regulatory leverage, which was at 4.3% as of Q3 2018. The acquisition of DVB's transport portfolio is not likely to have a significant effect on Helaba's capital, though some risks regarding an increased exposure to the transportation sector persist. In contrast, the takeover of DKD will be reflected positively in the bank's capital level.

The bank benefits from sound capitalisation, which is displayed by its fully loaded Basel III CET1 and total capital ratios of 15.3% and 21.3%, respectively, as of Q3 2018 (year-end 2017: 15.2% and 21.8%). The ratios improved from 14.3% and 20.5% as of year-end 2016, respectively. The improvement, which is providing an increasing buffer to investors, is driven by both profit retention and measures to contain risk-weighted assets, as reflected in a significant reduction in trading activities in recent years.

The bank's CET1 ratio is significantly above the required CET1 ratio of 8.89%, which the regulator determined following the Supervisory Review and Evaluation Process. We additionally take into consideration the bank's balance sheet leverage ratio of 4.3% (4.9% as of year-end 2017), as well as the expected challenges for the bank's capitalisation because of upcoming regulatory changes.

### Risk-weighted profitability is low and declining

We assign Helaba a Profitability score of ba3, one notch above the initial b1 score, based on the bank's high-quality earnings over the past several years.

We expect Helaba to continue to show fairly stable operating performance and profitability because of positive effects from the integration of Verbundbank (the central bank business of former WestLB for savings banks in North Rhine-Westphalia and Brandenburg), despite exposure to market volatility. However, regulation-related expenses will continue to burden Helaba's operating costs, while the low-yield environment will strain the bank's interest income. Helaba's performance metrics will remain modest (as a result of the group's statutory obligation to perform promotional banking activities, which are run on a cost-coverage basis rather than on return targets), but will provide a stable revenue source.

For the first nine months of 2018, Helaba reported a slightly weaker pretax profit of €364 million, down from €381 million for the same period in 2017. The key driver for this deterioration was the lower trading result (€65 million instead of €227 million), accompanied by a lower net interest income of €785 million (down from €799 million for the same period a year earlier), a lower fee and commission income of €259 million (down from €263 million) and a higher fair value result of €34 million (up from -€97 million).

In 2017, Helaba reported a pretax profit of €447 million (IFRS), down 18.6% from year-end 2016. Driven by the low interest rate environment, the bank's net interest income declined further by a significant 11.1% to €1.1 billion (€1.2 billion as of year-end 2016). Helaba derived income from the net reversal of loan-loss provisions of €56 million (€154 million expenses in 2016), along with higher fee and commission income (slightly up at €354 million). More volatile profit contributors such as fair-value changes on financial instruments and derivatives (-€118 million compared with a positive contribution of €51 million in the previous year) strained the results further, while customer-driven trading income was higher (€268 million compared with €146 million for 2016). The profit decline was also driven by impairment losses, which covered the full write-off of the goodwill of Frankfurter Sparkasse, Helaba's local savings bank subsidiary.

### **Funding from savings banks mitigates wholesale funding dependence**

Our assigned Funding Structure score of ba2 stands four notches above the initial b3 score, driven by good access to sector funding, reducing reliance on confidence-sensitive funding sources. A growing portion of Helaba's issued unsecured wholesale debt has been placed with savings banks and their retail clients.

Helaba depends on confidence-sensitive wholesale funding for a part of its lending business and is a net lender in the interbank market, as reflected in outstanding covered bonds of €27.4 billion, bonds of €22.5 billion and promissory notes of €24.5 billion as of Q3 2018. The bank's proven and recurring access to the excess liquidity of the regional savings banks and good access to debt capital markets, even in times of stress, are balancing factors.

Notably, funding requirements are likely to remain stable over the foreseeable future, given the bank's broadly matched funding profile for its medium- and long-term lending business. The bank typically issues €12 billion - €17 billion in medium- and long-term debt instruments per year (2018: €13.0 billion, 2017: €17.5 billion), placed with a broad and diversified investor base. Covered bonds will account for €5 billion of the planned issuance in 2018, with senior unsecured bonds accounting for €8 billion.

### **Strong liquidity provides a buffer**

The assigned a3 Liquid Resources score is one notch below the initial a2 score, which reflects our consideration of asset encumbrance, intragroup restrictions and the quality of liquid assets.

The bank's strong liquid resources consisted of €29.5 billion in cash as of H1 2018, a €22.3 billion securities portfolio and €6.9 billion in liquid trading assets.

Given the close interlinkages with the savings bank sector, we deduct exposures to the sector as intragroup and further take into account Helaba's encumbered liquid assets in our evaluation.

## **Support and structural considerations**

### **Affiliate support**

Helaba benefits from cross-sector support from S-Group, which reduces the probability of default. Therefore, support would be available to stabilise a distressed member bank and not just to compensate for losses in resolution. The unchanged high support assumption assigned to Helaba reflects the bank's prominent service function for the sector, majority ownership by S-Group members and cross-liability scheme. As a result, cross-sector support provides one notch of rating uplift to Helaba's debt, deposits and subordinated instrument ratings.

### **Loss Given Failure analysis**

Helaba is subject to the EU Bank Recovery and Resolution Directive (BRRD), which we consider an operational resolution regime. We therefore apply our Advanced LGF analysis, where we consider the risks faced by the different debt and deposit classes across the liability structure should the bank enter resolution.

Our Advanced LGF analysis follows the revised insolvency legislation in Germany that became effective on 21 July 2018 and is now consistent with that in most other EU countries, where statutes do not provide full preference to deposits over senior unsecured debt. However, in our Advanced LGF analysis, we now consider not only the results of both the formal legal position (*pari passu* or *de jure* scenario), to which we assign a 75% probability, but also an alternative liability ranking, reflecting the resolution authority's discretion to prefer deposits over senior unsecured debt (*full depositor preference* or *de facto* scenario), to which we assign a 25% probability.

We further assume residual tangible common equity of 3% and losses post-failure of 8% of tangible banking assets, a 25% run-off in junior wholesale deposits and a 5% run-off in preferred deposits. These ratios are in line with our standard assumptions. In addition, we assume that 26% of the deposit base can actually be considered junior and qualify as bail-in-able under the BRRD.

For deposits and senior unsecured debt, as well as CRR liabilities, our LGF analysis indicates an extremely low loss given failure, providing three notches uplift from the baa1 Adjusted BCA.

For junior senior unsecured debt, our LGF analysis indicates a very low loss given failure, providing for two notches uplift above Helaba's baa1 Adjusted BCA.

Our LGF analysis indicates a high loss given failure for subordinated debt classes, leading us to position the instrument's ratings one notch below the bank's baa1 Adjusted BCA. Subordinated debt instruments do not benefit from any government support.

Helaba's silent participations (non-cumulative preferred securities), issued by Main Capital Funding Limited Partnership and Main Capital Funding II Limited Partnership, are rated Ba1(hyb), three notches below the bank's Adjusted BCA, reflective of the instruments' net loss triggers.

### Government support considerations

Following the introduction of the BRRD, we have lowered our expectations about the degree of support the government might provide to a bank in Germany in the event of need. Because of S-Group's size on a consolidated basis, we consider it systemically relevant and, therefore, attribute a moderate probability of German government support for all members of the sector, in line with support assumptions for other systemically relevant banking groups in Europe. We, therefore, still include one notch of government support uplift in our CRRs, senior unsecured debt and deposit ratings of S-Group member banks that are incorporated in Germany, including Helaba. For junior debt, we continue to believe that the likelihood of government support is low and these ratings do not include any related uplift.

The legal change to the German banks' insolvency rank order has lowered the likelihood of government support particularly for junior senior unsecured debt because legally these instruments rank *pari passu* with most of the outstanding (statutorily subordinated) senior unsecured instruments issued up until 20 July 2018. This *pari passu* ranking of new junior senior unsecured debt with legacy (statutorily subordinated) senior unsecured instruments makes it less likely that German authorities would selectively support the legacy instruments (which we reclassified as junior senior unsecured debt), following clarification that the German authorities expect these liabilities to bear losses in a resolution. As a result, we have reduced our government support assumption for these instruments to low from moderate.

### Counterparty Risk Ratings (CRRs)

CRRs are opinions of the ability of entities to honour the uncollateralised portion of non-debt counterparty financial liabilities (CRR liabilities) and also reflect the expected financial losses in the event such liabilities are not honoured. CRRs are distinct from ratings assigned to senior unsecured debt instruments and from issuer ratings because they reflect that, in a resolution, CRR liabilities might benefit from preferential treatment compared with senior unsecured debt. Examples of CRR liabilities include the uncollateralised portion of payables arising from derivatives transactions and the uncollateralised portion of liabilities under sale and repurchase agreements.

#### Helaba's CRRs are positioned at Aa3/P-1

The CRRs, before government support, are positioned three notches above the bank's baa1 Adjusted BCA, reflecting the extremely low loss given failure from the high volume of instruments that are subordinated to CRR liabilities. Helaba's CRRs also benefit from one notch of rating uplift based on government support, in line with our assumptions on deposits and senior unsecured debt.

### Counterparty Risk (CR) Assessment

CR Assessments are opinions of how counterparty obligations are likely to be treated if a bank fails and are distinct from debt and deposit ratings in that they (1) consider only the risk of default rather than both the likelihood of default and the expected financial loss suffered in the event of default, and (2) apply to counterparty obligations and contractual commitments rather than debt or deposit instruments. The CR Assessment is an opinion of the counterparty risk related to a bank's covered bonds, contractual performance obligations (servicing), derivatives (for example, swaps), letters of credit, guarantees and liquidity facilities.

**Helaba's CR Assessment is positioned at Aa3(cr)/P-1(cr)**

For Helaba, our LGF analysis indicates an extremely low loss given failure for the CR Assessment, leading us to position its Preliminary Rating Assessment three notches above the Adjusted BCA.

**Methodology**

The principal methodology we use in rating Helaba was [Banks](#) published in August 2018.

**About Moody's Bank Scorecard**

Our scorecard is designed to capture, express and explain in summary form our Rating Committee's judgement. When read in conjunction with our research, a fulsome presentation of our judgement is expressed. As a result, the output of our scorecard may materially differ from that suggested by raw data alone (though it has been calibrated to avoid the frequent need for strong divergence). The scorecard output and the individual scores are discussed in rating committees and may be adjusted up or down to reflect conditions specific to each rated entity.

## Rating methodology and scorecard factors

Exhibit 3

### LANDESBANK HESSEN-THUERINGEN GZ

#### Macro Factors

**Weighted Macro Profile**                      **Strong +**    **100%**

Factor	Historic Ratio	Initial Score	Expected Trend	Assigned Score	Key driver #1	Key driver #2
Solvency						
Asset Risk						
Problem Loans / Gross Loans	1.1%	aa3	↓↓	baa1	Sector concentration	Market risk
Capital						
TCE / RWA	15.9%	aa3	← →	a2	Risk-weighted capitalisation	Nominal leverage
Profitability						
Net Income / Tangible Assets	0.2%	b1	← →	ba3	Earnings quality	Expected trend
Combined Solvency Score		a2		baa1		
Liquidity						
Funding Structure						
Market Funds / Tangible Banking Assets	51.3%	b3	← →	ba2	Extent of market funding reliance	Market funding quality
Liquid Resources						
Liquid Banking Assets / Tangible Banking Assets	34.1%	a2	← →	a3	Stock of liquid assets	Quality of liquid assets
Combined Liquidity Score		ba2		baa3		
Financial Profile						
Business Diversification				0		
Opacity and Complexity				0		
Corporate Behavior				0		
Total Qualitative Adjustments				0		
Sovereign or Affiliate constraint:				Aaa		
Scorecard Calculated BCA range				baa1-baa3		
Assigned BCA				baa2		
Affiliate Support notching				1		
Adjusted BCA				baa1		

Balance Sheet is not applicable.



Debt class	De Jure waterfall		De Facto waterfall		Notching		LGF Notching Guidance vs. Adjusted BCA	Assigned LGF notching	Additional notching	Preliminary Rating Assessment
	Instrument volume + subordination	Sub-ordination	Instrument volume + subordination	Sub-ordination	De Jure	De Facto				
Counterparty Risk Rating	--	--	--	--	--	--	--	3	0	a1
Counterparty Risk Assessment	--	--	--	--	--	--	--	3	0	a1 (cr)
Deposits	--	--	--	--	--	--	--	3	0	a1
Senior unsecured bank debt	--	--	--	--	--	--	--	3	0	a1
Junior senior unsecured bank debt	--	--	--	--	--	--	--	2	0	a2
Dated subordinated bank debt	--	--	--	--	--	--	--	-1	0	baa2

Instrument class	Loss Given Failure notching	Additional Notching	Preliminary Rating Assessment	Government Support notching	Local Currency Rating	Foreign Currency Rating
Counterparty Risk Rating	3	0	a1	1	Aa3	Aa3
Counterparty Risk Assessment	3	0	a1 (cr)	1	Aa3 (cr)	--
Deposits	3	0	a1	1	Aa3	Aa3
Senior unsecured bank debt	3	0	a1	1	Aa3	--
Junior senior unsecured bank debt	2	0	a2	0	A2	--
Dated subordinated bank debt	-1	0	baa2	0	Baa2	--

[1] Where dashes are shown for a particular factor (or sub-factor), the score is based on non-public information.

Source: Moody's Financial Metrics

## Ratings

Exhibit 4

Category	Moody's Rating
<b>LANDESBANK HESSEN-THUERINGEN GZ</b>	
Outlook	Stable
Counterparty Risk Rating	Aa3/P-1
Bank Deposits	Aa3/P-1
Baseline Credit Assessment	baa2
Adjusted Baseline Credit Assessment	baa1
Counterparty Risk Assessment	Aa3(cr)/P-1(cr)
Issuer Rating -Dom Curr	Aa3
Senior Unsecured -Dom Curr	Aa3
Junior Senior Unsecured -Dom Curr	A2
Junior Senior Unsecured MTN -Dom Curr	(P)A2
Subordinate -Dom Curr	Baa2
Commercial Paper -Dom Curr	P-1
<b>MAIN CAPITAL FUNDING II LIMITED PARTNERSHIP</b>	
Pref. Stock Non-cumulative	Ba1 (hyb)
<b>MAIN CAPITAL FUNDING LIMITED PARTNERSHIP</b>	
Pref. Stock Non-cumulative	Ba1 (hyb)

Source: Moody's Investors Service

## Endnotes

- 1 The rating shown is S-Group's corporate family rating and outlook, and its BCA.
- 2 The rating shown is the Government of Germany's issuer rating and outlook.
- 3 For further details, please refer to Helaba's [Company profile](#) and the [German Banking System Profile](#).
- 4 The ratings shown are DVB's long-term deposit rating and outlook, and its BCA
- 5 The initial score is referred to as the Macro-Adjusted score in our Bank Scorecard.

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